SPANS Program Endorsement by PMA-265

(April 24, 2003)



DEPARTMENT OF THE NAVY PROGRAM EXECUTIVE OFFICER TACTICAL AIRCRAFT PROGRAMS 47123 BUSE ROAD, UNIT # IPT PATUXENT RIVER, MD 20670-1547

IN REPLY REFER TO

Ser PMA265JH/1955

APR 2 4 2003

Mr. Leo Plonsky SPANS Program Manager Office of Naval Research Manufacturing Technology Detachment 700 Robbins Avenue, Building 10, 2nd Floor Philadelphia, PA 19111-5078

Dear Mr. Plonsky:

The F/A-18 Program Office has been briefed on the results of Phase I of the Supply chain Practices for Affordable Navy Systems (SPANS) project entitled "Supply Chain Value Stream Management". This project is a collaborative effort between the United States Navy, Boeing, Messier-Dowty, and their supplier partners. The Value Stream Mapping (VSM) of the F/A-18E/F Nose Landing Gear (NLG) supply chain for multiple Tier 1 and Tier 2 suppliers completed in Phase I was a first-of-a-kind for the F/A-18 program and a success in identifying many opportunities for supply chain improvements. This project has the potential to provide significant benefits to the F/A-18E/F Program and to the Navy by reducing waste, cost, cycle time, and through improvements in schedule stability. The Supply Chain Value Stream Management team has defined the Phase II projects they believe will achieve a 50% reduction in the aggregate lead time of specific components of the NLG.

The Supplier Development and Supplier Management groups within the Boeing Company have a proven track record of reducing cost and cycle time using Lean principles with their Tier 1 suppliers. The Phase I VSM project has demonstrated that there are additional benefits to introducing the Tier 2 and Tier 3 supply base to these Lean tools and techniques. By working with a larger cross-section of the supply chain, we believe the Supply Chain Value Stream Management pilot will provide additional benefits that could not have been achieved by Boeing's current Lean Manufacturing approach alone. Phase II of the project, which has already begun, will develop future state VSMs, and identify and implement improvements with the supply chain partners. The collaboration with enthusiastic suppliers like Cam-Tag, S&L Metals, Vac-Aero, Carpenter Technologies, Wyman Gordon, Tecnickrome, Superior Plating, and others is encouraging.

Our intention is to follow the progress of the Phase II project, and if it is successful, to encourage its adoption by Boeing in other parts of the supply chain for the F/A-18E/F Program.

Sincerely,

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